

**REPLY BY THE CHIEF MINISTER
TO A QUESTION TO THE POLICY COUNCIL
ASKED PURSUANT TO RULE 6 OF THE
RULES OF PROCEDURE BY DEPUTY M. J. FALLAIZE**

Question

At their meeting of April, 2009, the States of Deliberation debated a report submitted by the Policy Council entitled 'Fiscal Policy Framework' (ref. Article 7 on Billet d'État XI of 2009).

The States resolved "[t]o endorse and adopt the Fiscal Policy Framework as described by section 8 of that Report" and section 8 included the following statement: "To provide credibility to this framework, and a degree of objectivity in the likely path of States finances, each year the Policy Council will publish a report to the States (my emphasis), separate to Treasury and Resources annual budgetary process, to provide an objective analysis on the conduct of fiscal policy."

"The States" in that context can mean only the States of Deliberation (i.e. the Assembly) and the only means of "publish[ing] a report to the States [of Deliberation]" is by submitting it for publication in a Billet d'État.

The 2012 independent report on fiscal policy is due to be made available in mid-October. In view of the above and in accordance with Rule Six of the Rules of Procedure of the States of Deliberation:

- 1. Would you please confirm that the Policy Council shall fulfil the commitment made in the aforementioned States Resolution and ensure that the 2012 independent report: on fiscal policy is submitted to the States of Deliberation by having it published in a Billet d'État? And*
- 2. Would you please confirm to which meeting of the States of Deliberation the Policy Council intends to present the 2012 independent report on fiscal policy by submitting it for publication in a Billet d'État?*

Answer

Thank you for your letter of 19 September, which is appended, regarding publication schedules for the Annual Fiscal Review.

The purpose of the report is to provide an independent, third party perspective on States' fiscal performance, particularly against our agreed public fiscal framework. The rationale mimics that of the UK's Office of Budget Responsibility in that it is a mechanism outside the political process ensuring it is not subject to political influence. Mindful of the need to safeguard editorial integrity, the report, I believe quite properly, is not subject to political review by either the Policy Council, or the Board of Treasury & Resources.

In the absence of any detailed rules relating to reports presented to the States, I do not agree with your interpretation that the only way of reporting to the States is by way of a Billet d'État. I have sought advice on this issue from the Law Officers Chambers and they agree that the position is open to interpretation and that, given the circumstances of this report, there is no reason why it cannot continue to be published in the same manner as previously.

This will be the third year in which the report will be published and the Policy Council see no compelling reason to change the current practice. However, consistent with my instructions

given to officials earlier this summer, I will ensure that all States members gain sight of the report in good time prior to publication and public dissemination.

Date of Receipt of the Question: 19th September 2012

Date of Reply: 1st October 2012